GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:5265
ANSWERED ON:28.04.2000
ENCOURAGEMENT TO SPINNING MILLS
AVTAR SINGH BHADANA

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have formulated any scheme to encourage small spinning units in the country, particularly of Uttar Pradesh;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

Answer

MINISTER OF STATE FOR TEXTILES

(SHRI GINGEE N. RAMACHANDRAN)

(a) to (c) : Union Government acts as facilitator for development of Textile industry, including spinning units, in the country, including Uttar Pradesh. However, the Government of India, Ministry of Textiles has launched a Technology Upgradation Fund Scheme (TUFS) for Textile and Jute Industries which is in operation since 01.04.1999 for a period of 5 years, i.e., up to 31.03.2004. Any eligible textile/jute unit can avail of funds within the framework of the aforesaid scheme and normal financial norms of the concerned financial institution/bank. It is an open-ended scheme depending on the capacity of the industry to absorb funds in bankable and techno-economically feasible proposals. Government funding is limited to reimbursement of interest at 5% point on the interest charged by the lending agency on a project of technology upgradation in conformity with the scheme.